



**STATE OF MARYLAND
DEPARTMENT OF HOUSING AND COMMUNITY
DEVELOPMENT (DHCD)**

REQUEST FOR PROPOSALS



MARYLAND DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT
7800 HARKINS RD • LANHAM, MD 20706 • DHCD.MARYLAND.GOV
301-429-7400 • 1-800-756-0119 • TTY/RELAY 711 or 1-800-735-2258



Information Packet
Qualified Workforce Housing Tax-Credit Pilot Program

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Request for Proposals Qualified Workforce Housing Tax-Credit Pilot Program

The Department of Housing and Community Development (DHCD) seeks proposals from qualified applicants to receive an allocation of its Qualified Workforce Housing Tax-Credit Pilot Program (the "Program"). The statutory authority and requirements for the program are codified in §§4-2501 – 4-2505 of the Housing and Community Development Article and § 10-749 of the Tax - General Article. The purpose of this allocation is to provide housing in a qualified opportunity zone in the State under § 1400Z-1 of the Internal Revenue Code that is restricted for workforce occupancy for a period of at least thirty (30) years near employment centers. Workforce housing for a rental project is defined as housing that is affordable for households with annual income between 50% and 100% of area median income. Tax credits will be awarded on a competitive basis to nonprofit and for-profit sponsors of eligible housing projects. Awards will be based on criteria to be developed by the Department.

To submit a project for an allocation of Program tax credits and to learn more in general about this opportunity, including the scoring criteria and other information regarding the application process, please contact Caty Waterman at the contact information provided below. The Application is also available on the DHCD website:
<https://dhcd.maryland.gov/HousingDevelopment/Pages/MFLibrary.aspx>

All applications for the Qualified Workforce Housing Tax-Credit Pilot Program are due no later than **2:00 p.m. on June 4, 2021**.

Caty.Waterman1@Maryland.gov; Maryland Department of Housing and Community Development, Multifamily Housing Programs, 7800 Harkins Road, Lanham, Maryland 20706; 301.429.7776 or 1.800.543.4505.



Program Description

Qualified Workforce Housing Tax-Credit Pilot Program

Overview

DHCD requests owners/developers to apply for the Qualified Workforce Housing Tax-Credit Pilot Program. DHCD will select the most qualified of those proposals based on the scoring criteria outlined below.

Proposals from interested parties are due into DHCD by **Thursday, June 4th, at 2:00 p.m.** At all times, proposals are subject to the requirements of §§4-2501 – 4-2505 of the Housing and Community Development Article and § 10-749 of the Tax - General Article.

Maximum Allocation Awarded

\$1 million to one project

Due Date

Proposals must be received by DHCD no later than **2:00 p.m. on June 4, 2021.** Proposals will be date stamped to verify receipt by the submission deadline. Proposals must be submitted to the DHCD Mailroom at:

Maryland Department of Housing and Community Development
Cathy Waterman, Deputy Director, Multifamily Initiatives
7800 Harkins Road
Lanham, Maryland 20706

The Application, including the scoring criteria and other information regarding the application process, is available on the DHCD website:

<https://dhcd.maryland.gov/HousingDevelopment/Pages/MFLibrary.aspx>

Selection Process

DHCD will employ the following process to determine which proposal will be selected.

- DHCD staff will review each proposal to ensure that it is complete. Incomplete submissions will be returned and will not be processed further by DHCD. Complete proposals will be submitted for scoring.
- All complete proposals will be scored by a scoring committee convened by DHCD. DHCD may invite other State and local government agencies to participate in the review process.
- All proposals will be ranked according to their score. The highest scored proposal will be recommended and submitted to the Multifamily Director for approval. Upon approval of the Multifamily Director, the recommendation will be submitted to the Secretary for final approval and allocation.

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Eligibility Requirements

Proposed projects must be in Maryland in a qualified opportunity zone in the State under § 1400Z-1 of the Internal Revenue Code and near an employment center with the overall goals of the following:

- Provision of rental housing units that will be affordable to households with incomes at or below 100% of the area median;
- Expanding housing choice for households with incomes at or below 100% of the area-wide median income in the State;
- Increasing the availability of quality housing units for workers whose income does not support rent for suitable dwelling units and the high cost of transportation required to commute to and from their respective workplaces;
- Assisting employers who have made significant place-based investments in reducing critical labor shortages of skilled and semi-skilled workers by providing housing that will be accessible to the worker's workplaces; and
- Reducing traffic congestion by shortening commute distances for employees who work in areas of the State that may not be well served by local transit.

DHCD will accept proposals for newly constructed housing.

To be eligible for a Qualified Workforce Development Tax Credit allocation from DHCD, the following criteria must be met:

- Projects must be located in a designated Opportunity Zone.
- Projects must be permanent housing.
- Tenants must have a lease with a minimum term of one year.
- Tenants' incomes must be at or below 50-100% of the area median.
- Heads of Households must be at least 18 years old or legally emancipated.
- Any project that receives an allocation of a portion of the Program tax credit shall be restricted in occupancy as specified in the in the approval of the allocation by the Secretary for a period of at least 30 years beginning with the first taxable year in which a State tax credit is claimed by the owner.

Housing Registry

Applicants will be required to provide all information required by DHCD and SocialServe to list their properties on DHCD's Housing Registry Website: www.MDHousingsearch.org

Fair Housing and Equal Opportunity

The Applicant shall comply with applicable Federal and State laws, executive orders, and regulations pertaining to fair housing and equal housing opportunity, including without limitation, Title VI of the Civil Rights Act of 1964, as amended (42 USC § 2000d et seq., 24 CFR Part 1),



The Fair Housing Act, as amended (42 USC § 3601 et seq., 24 CFR Part 100-115), Equal Opportunity in Housing (Executive Order 11063, as amended by Executive Order 12259), Age Discrimination Act of 1975, as amended (42 USC § 6101 et seq., 24 CFR Part 146). Applicants are cautioned to be aware of the potential applicability of provisions of the Americans with Disabilities Act, federal Fair Housing legislation, and Section 504 of the Rehabilitation Act of 1973 to any housing proposed for funding. Procedures for the selection of residents, conditions of residency, and rules regarding termination may fall within the scope of this legislation. Providers must make reasonable accommodations of rules, policies, and procedures and may be required to allow reasonable structural modifications of buildings to be made, if necessary, to allow an individual with disabilities equal access to housing.

DHCD Non-Discrimination Notice

DHCD does not discriminate based on race, color, religion, sex, sexual orientation, national origin, ancestry, age, physical or mental disability, familial status in the admission or access to or treatment or employment in its program's activities. DHCD will provide appropriate communication auxiliary aids and services upon sufficient notice. DHCD will also provide this document in alternative formats upon sufficient notice. DHCD has designated the following person responsible for coordinating compliance with applicable Federal and State nondiscrimination requirements and addressing grievances:

Gordon Outlaw, Fair Practices, gordon.outlaw@maryland.gov.

Right to Cancel

DHCD reserves the right to reject or cease processing any requests for the Qualified Workforce Housing Tax Credit Pilot Program.

Submission Requirements

- Completed Application using the format as attached.

Additional Terms and Conditions

- DHCD expressly reserves the right to modify or withdraw this Request at any time, whether before or after any responses have been submitted or received.
- DHCD reserves the right to adjust the timetable for this Request as deemed necessary.
- DHCD reserves the right to reject any or all respondents and not award a contract pursuant to this Request or to terminate the Request process at any time if deemed to be in its best interest.
- If the respondent selected does not enter the required contract described in this Request, DHCD reserves the right to reject the respondent and offer the award to another respondent.
- In no event will any obligations of any kind be enforceable against DHCD unless and until a written contract is entered.
- DHCD reserves the right to waive informalities and minor irregularities in proposals received.



- DHCD reserves the right to reject and not consider any or all respondents who do not meet this Request's requirements, including but not limited to incomplete responses and/or responses offering alternate or non-requested services.
- Each respondent agrees to bear all costs and expenses of its response. There will be no reimbursement for any costs and expenses relating to preparing responses submitted or for any costs or expenses incurred during any negotiations.



SCORING CRITERIA

Qualified Workforce Housing Tax-Credit Pilot Program

The scoring committee will be using the following criteria to score each eligible proposal. A maximum of 100 points may be awarded as follows:

I. Project Readiness (30 Points)

The proposal must include a project timeline indicating major milestones, including when project units will be ready for occupancy:

- **(30 points):** Housing ready for occupancy within one (1) year of award selection date for Qualified Workforce Housing Tax Credits under this notice.
- **(25 points):** Housing ready for occupancy within two (2) years of award selection date for Qualified Workforce Housing Tax Credits under this notice.

II. Proximity to Amenities (9 Points)

- **(3 points):** Full-service grocer within three (3) mile radius of proposed project
- **(3 points):** Pharmacy within three (3) mile radius of proposed project
- **(3 points):** Public park within three (3) miles of proposed project

III. Proximity to Employment Centerⁱ (25 points)

- **(25 points)** Project located within one (1) mile of a facility with one thousand (1000) or more employees.
- **(15 points)** Project located within one (1) mile of a near facility with one hundred (100) or more employees.
- **(10 points)** Project located within one (1) mile radius of downtown.
- **(5 points)** Project located within one (1) mile radius of walkable corridor.

IV. Neighborhood Investment Activity (10 points)

- **(5 points):** Documentation to evidence major public/ private investment of at least \$500,000 within one (1) radius of project.
- **(5 points):** Neighborhood or revitalization plan adopted by local government for the community where the project will be located.

V. Amenities (10 points)

- **(5 points):** Defined community or greenspace located on site.
- **(5 points):** Business center including two or more of the following – computing services, printer, fax machine, wi-fi.



VI. Development Team Expertise (16 points)

Development Team Criteria				
Criteria	Developer	General Contractor	Architect	Property Manager
The entity has a consistent and successful track record during the past five (5) years with projects that are similar to the proposed project and has shown the ability to remedy problems.	4 Points	4 Points	4 Points	4 Points
The entity has an overall successful track record during the past five years (5) but may not have sufficient experience, may not have always promptly addressed problems, or may not have sufficient experience with similar projects.	3 Points	3 Points	3 Points	3 Points
The entity has an inconsistent track record during the past five years (5), may not have sufficient experience, may not have promptly addressed some problems, or may not have sufficient experience with similar projects.	2 Points	2 Points	2 Points	2 Points
The entity has limited or no experience, has a record of problems that were not promptly addressed, or has limited or no experience with similar projects.	1 Point	1 Point	1 Point	1 Point



APPLICATION

Qualified Workforce Housing Tax-Credit Pilot Program

Please provide the following project information in the order presented:

I. The dollar amount of Qualified Workforce Housing Tax Credit requested which cannot exceed \$1 million.

II. A description of the proposed project

Including:

- A. Name and address;
- B. Location by census tract;
- C. Total number of buildings;
- D. Total number of units by bedroom size in each building including proposed rent and utilities;
- E. Community space and office space that is on the property and available for use by residents as well as any other supportive services;
- F. Tenant selection criteria; and
- G. Target population description.

III. Project Readiness

- A. Include a project timeline indicating major milestones, including when project units will be ready for occupancy. Please indicate if the project meets one of the following:
 - Housing ready for occupancy within one (1) year of award selection date for Qualified Workforce Housing Tax Credits under this notice.
 - Housing ready for occupancy within two (2) years of award selection date for Qualified Workforce Housing Tax Credits under this notice.

Failure to address the Project Readiness scored factor, including major milestones, where applicable, will result in the Application being removed from the competition.

IV. Proximity to Amenities

Including a map of a Full-service grocer pharmacy or public park within three (3) mile of the proposed project

V. Proximity to Employment Centerⁱⁱ

Documentation the community has experienced a local industry expansion resulting in job growth. The application should document that housing is a barrier to employment in the community (through letters, etc. from local employers or officials). DHCD may consider the distance and total number of employees as a consideration to make awards.



VI. Neighborhood Investment Activity

Documentation to evidence major public/ private investment of at least \$500,000 within one (1) project radius. Neighborhood revitalization plan as described in 4.2.1 of the Department's Multifamily Rental Financing Guide.

VII. Amenities

Defined community or greenspace located on-site and Business center including two or more of the following – computing services, printer, fax machine, wi-fi, which must be included in the project description in the CDA Form 202.

VII. Financial Feasibility

Including:

- A. Completed CDA Form 202, which reflects all aspects of the project, including estimated development and operating budgets and pro forma.

Appendices

- A. Qualified Workforce Housing Tax-Credit Pilot Program Description
- B. CDA Form 202

ⁱ An **Employment Center** is defined as a recognized concentration of employment opportunities such as a college or university, hospital, office area, office park, or commercial district.

